



ASSOCIATES, INC.

Engineers / Architects

June 1, 2001

Mr. Steve Huff, P.E.,
Vice President
Andritz-Ruthner, Inc.
1010 Commercial Blvd. So.
Arlington, TX 76001

Sent Via Telefax: (817) 419-1961
(17 pages, including Cover letter)

Re: In Vessel Bioconversion Facility
Project Fee for Professional Services

Dear Mr. Huff:

The following proposal for professional services is presented in response to our discussion on May 11, 2001. The estimate for design services is distributed between the anaerobic digestion and drying processes as instructed. Also, a list of the assumptions upon which this proposal is based is enclosed. Please do not hesitate to call me with any questions or comments.

In June, I will be located at our Guam office with the contact numbers listed below, and our email address is: gmpassoc@kuentos.guam.net

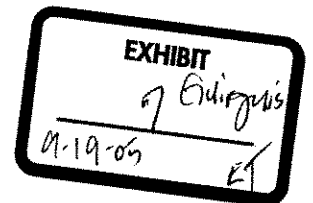
I look forward to receiving your comments.

Sincerely,

GMP ASSOCIATES, INC.

Peter B. Melnyk, Ph.D., P.E.
Executive Vice President

Enclosure



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PROPOSAL FOR PROFESSIONAL SERVICES

Environmental Assessment, Permitting, and Variance

- ▶ GMP will prepare an environmental assessment, coordinate with the Hawaii State review process and prepare the final Finding of No Significant Impact. (FONSI) for a fee of Twenty Five Thousand One Hundred Ninety Two Dollars (\$25,192.00) plus reproduction costs of Seven Hundred Fifty Dollars (\$750.00) for 50 copies.
- ▶ GMP will prepare applications for permits and variance listed below, plus coordinate with State and City agencies, and represent our client at public and neighborhood board meetings. The fee for these services is Ten Thousand One Hundred Twenty One Dollars (\$10,121.00).
 - ▶ Variance for waiver of maximum height limitation.
 - ▶ Permit for Industrial Discharge (i.e. centate).
 - ▶ Special Management Area.
 - ▶ Minor Conditional Use Permit.
 - ▶ Coordination with contractor and C&C of Honolulu for building permits.
 - ▶ Coordination with C&C's consultant on Air Permit application.
- ▶ GMP's subcontractor will prepare a Phase II Site Assessment to determine the likelihood of petroleum contamination at the project site. This assessment will include soil sampling and analyses at six locations. The proposed fee is Two Thousand Nine Hundred Seven Dollars (\$2,907.00).

The total cost for professional services under this section is Thirty Eight Thousand Nine Hundred Seventy Dollars (\$38,970.00).

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Design Services

I. Site Work

- ▶ Under Civil work, a topographic survey and the design of grading, roadway, drainage, utilities and erosion control will be provided on 25 drawings.
- ▶ Structural design will provided on five drawings.
- ▶ Mechanical design for a sewer lift station, potable and process water will be presented on six drawings.
- ▶ Electrical design for power distribution and area lighting will be provided on 13 drawings.
- ▶ Design services include preparation of basis of design, drainage and erosion reports, construction specifications and coordination with Hawaiian Electric for service. The total fee for these services is One Hundred and Forty Five Thousand, Seven Hundred Forty Nine Dollars (\$145,749.00).
- ▶ Percolation tests, groundwater sampling and analyses are needed to obtain a dewatering permit. GMP's Geotechnical Consultant has included these services with the soils investigation for the dryer building.

II. Anaerobic Digestion

- ▶ GMP will provide structural design for digester and gas storage tank foundations (7 drawings), mechanical design for ventilation, fire protection and plumbing (4 drawings) and electrical design for power and lighting (10 drawings).
- ▶ Design services include construction specifications, basis of design reports, code review, and fire protection plan. Plus onsite inspections during construction by the mechanical and electrical designers.
- ▶ The total fee for Anaerobic Digestion design is One Hundred Ten Thousand and Twenty Three Dollars (\$110,023.00).
- ▶ The fee for GMP's Geotechnical Consultants to conduct a soils investigation and analyzes per GBI's specification is Thirty Six Thousand, Nine Hundred and Thirty Seven Dollars (\$36,937.00).

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III Sludge Drying Building

GMP will provide:

- ▶ Architectural design for the building (9 drawings);
- ▶ Structural design for the building, the foundations, piping and conveyors supports, equipment and tank pads (7 drawings);
- ▶ Mechanical design for the process area ventilation, administration area AC, plumbing, fire protection and building air scrubber (17 drawings);
- ▶ Electrical design for power and lighting (25 drawings);
- ▶ Design services include: Basis of Design, process design review, Fire Protection Plan, Code Review, Construction Specifications, and onsite inspection by the mechanical and electrical designers during construction.

The total cost for Sludge Drying Building Design Services is Two Hundred and Fifty Four Thousand, Four Hundred Sixty Nine Dollars (\$254,469.00).

The cost for the soils investigation by GMP's Geotechnical Consultant is Twenty Five Thousand Nine Hundred and Sixteen Dollars (\$25,916.00).

IV Construction Management Services

- ▶ GMP proposes to provide a full-time Resident Engineer and a Clerk (word processor) during the fifteen months of construction. The cost for this service is Four Hundred and Twenty Seven Thousand, Six Hundred and Ninety One Dollars (\$427,691.00).
- ▶ In addition GMP will provide a full-time Inspector during construction of the sludge dryer building for a period of 7.5 months at a cost of One Hundred and Eight Thousand Eight Hundred and Sixty Three Dollars (\$108,863.00).
- ▶ A full-time Inspector during construction of the digesters for 11 months at a cost of One Hundred and Fifty Nine Thousand, Six Hundred and Seventy Seven Dollars (\$159,677.00).

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Basis of Proposal

Sand Island In-Vessel Bioconversion Facility

GMP Associates, Inc., will prepare the Civil, Architectural, Structural, Mechanical (plumbing, ventilation and airconditioning) electrical drawings for the Sand Island In-Vessel Bioconversion Facility (The project). The proposal is based on the following assumptions and division of responsibilities:

1. Process and instrumentation diagram drawings (P&ID(s)) will be prepared by the client.
2. Client will prepare all control diagrams for the process equipment. Control diagrams for the ventilation, airconditioning, odor control for the dryer building, and the wastewater pump station (if required) will be prepared by GMP Associates.
3. P&ID(s) and control diagrams will not be part of the regulatory agency review submittal.
4. GMP will design the odor control unit that serves the sludge processing building, i.e. the dryer (building).
5. GMP requests that the client attend, with GMP, the preliminary coordination meeting with HECO. Subsequent meetings will be attended by GMP only, unless client chooses to attend.
6. Electric plans prepared by GMP will show conduits and wires as "home run" routings to equipment, instruments and switches.
7. Client will provide switch gear and motor control centers (MCC(s)) as part of the equipment package. GMP will not prepare technical specifications for this equipment. GMP will coordinate approvals with HECO.
8. Client will provide preliminary primary and secondary single line diagrams, as well as preliminary single line diagrams for MCC. GMP to complete detailed design drawings.
9. Instrumentation will be provided by the owner and installed by the contractor as recommended by the manufacturer. GMP's electrical drawings will show power to these units as well as control and signal wires.

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10. Client will provide loop diagrams for all process instrumentation.

11. Client to provide drawings for instrumentation, annunciation and SCADA (i.e. PLC) panels. GMP to incorporate this information into the design.

12. GMP will design the foundation for the anaerobic digesters. GMP will design, under the client's direction, the concrete structure supporting the metal digester tanks and housing the pump rooms.

13. Client shall provide all shop drawings and other technical information as necessary and when needed for GMP to perform its work.

14. Process equipment layout drawings will be prepared by the client and reviewed by GMP Associates as necessary for regulatory agency review.

15. GMP will not prepare specifications for the process equipment.

16. GMP will design pipe and conveyor supports for the process equipment in the dryer building, based upon client's layout drawings.

17. GMP will design all equipment pads.

18. Reproduction and courier costs to be paid by the client on a reimbursable basis.

19. Permitting and utility service fees to be paid by the client.

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